I. Statutory resolution dispproving conser vation of foreig exchange and prevention of smuggling activities (amendment) ordinance, 1987

II. The conservation of foreign exchange and prevention of smuggling activities (amendment) Bill, 1987

THE DEPUTY CHAIRMAN; Now we are taking up the Statutory Resolution seeking disapproval of th$_e$ Conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Ordinance. 1987 and the Conseevation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Bill, 1987. There will be discussed together. Shri Jaswant Singh.

SHRI JASWANT SINGH (Rajasthan): Madam Deputy Chairman, I move the following Resolution:—

'That this House disapproves of the Conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Ordinance, 1987 (No. 4 of 1987) promulgated by th$_e$ President on the 2nd July, 1987.

[The Vice-Chairman (Shri Jagesh Desai) in the Chair.]

SHRI K. MOHANAN (Kerala): Sir, if we are discussing the Bill and the Resolution together, then, after moving the Bill we can start the discussion. Other-dise. On what are the discussing? Only the Resolution?

THE VICE-CHAIRMAN (SHRI JAGESH DESAI); Both, simultaneously.

SHRI K. MOHANAN: The Minister has to move the Bill also. Then only we can start the discussion.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI); First let Mr. Jaswant Singh make a speech. And then the Minister will do it.

SHRI JASWANT SINGH: If I might clarify, Mr. Vice-Chairman, the procedure that is followed is. I shall move my Resolution.

I just want to clarify one more thing which will enable me to make *my* intervention better, that in the process of moving my motion on disapproval, I shall put forward the reasons why I am doing so, and. thereafter, the Minister will.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): You can make a speech

SHRI JASWANT SINGH: I shall put forward my reasons, and the Minister, in the process of introducing or moving the Bill will try and attempt to reply me. Then I will get a chance to reply. Am I correct?

SHRI A. G. KULKARNI (Maharashtra,): I think, Sir, perhaps the office will guide you properly. Both the Resolution and the Bill are to be discussed together. That is what is in the agenda. Let the Minister move his Bill. Then we will discuss.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI; See, it will be like this. First of all you will make a speech. Then the Resolution will be moved. Then the Minister will speak. After that, both these will be taken up simultaneously. After that you have the right to reply. Then he will reply. That is the procedure.

SHRI JASWANT SINGH: I just wanted to clarify because of the procedural matters.

Mr. Vice-Chairman, Sir, the Conser.v«-tion of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Ordinance of 1987 is largely a routine administrative measure. And. therefore, on the surface of it, one would find difficulty in a motion of disapproval or in opposing such an innocuous measure. Why. therefore, do I move a motion of disapproval or oppose this measure?

Sir, my objection are on grounds of procedure, of principles and of policy content.

Firstly, the procedural parts. This Ordinance was issued on 2nd of July, 1987

in anticipation of the exPiry of the period of its validity, which is 31st July, 19S7. And Parliament was in session up till mid May. It is not unreasonable to expect that the Government, of India would have an ticipated the legislative or administrative requirement that it would need to contend with in the inter-session period, That is why I called it a procedural difficulty with this matter because if a Government is not 'able to anticipate its administrative re quirements forcing it thereby to resort to Ordinances, we then come to the second difficulty which is about the prin ciple of rule of governance by Ordinan ces. I would not, for a moment, suggest that a Government, any Government might not have to take recourses to Ordinance, but Ordinances issued by a Government which swears by participatary form ot parliamentary democracy ought to be an exception, not a rule. Now, in this period a number of Ordinances that have been issued will be taken up by this House. This is an observation that we have. made repeatedly and on numerous earlier occasions whenever the Government has taken resort to governing through Ordi-nances and even if we had said it carier, it still bears repetition that unless it is an exceptional circumstance own Government resorting to Ordinances is a bad practice. I do not want to go into the infamous example of the Government of Bihar which h.is been ruling far years through Ordinances. Yet it would not be out of place to mention that when we oppose rule by Ordinances we expect the Govern ment Of India to set an example, to de monstrate to the rest of the country that as far as the Government of India is concerned, its ad-herence not just to the forms or the norms but to the principle of participatory form of parliamentary democracy is such that it shall not resort to Ordinances. That is why I said that I have a difficulty with the principle of Ibis measure. As part of this difficulty with the principle of this matter. I would very briefly put across, that whenever any Government takes up governance through Ordinances, whether it is on account of a lapse. On account of administrative rrnnesia, on account of an administrative incapacity to anticipate requirements of government, then every such Ordinance is an encroachment on the role and the privileges of the Parliamsnt and theretco 1 am in difficulty with this particular mea sure. As I have said, Sir, I had proce dural difficulties, I had difficulties on the principle of this measure and I also have difficulties on the policy content of it. Sir on our statutory books we do have regula tions relating largely to foreign exchange One is the Foreign Exchange Regulation Act, the other is the Conservation of Fore ign Exchange and Prevention of Smuggling Activities Act. The first parts of both these Acts, Foreign Exchange Regulation and Conservation of Foreign Exchange are largely similar. Though COFEPOSA, as it is in abbreviation referred to, is con nected with smuggling, is connected with the conservation of foreign exchange, there is a divide but also a mix between regu lation of foreign exchange and conserva tion of foreign exchange. A consideration of the one, therefore, can not entirely be outside the consideration of the other. Therefore, whatever observations that I have made about the policy content of ihis particular Ordinance will take into account the aspects of regulating foreign exchange because regulating foreign exchin-ge is part of conserving foreign exchange. I would like to suggest, Sir. that foreign ex change is a convenience, the possession of hard currency is the possession of a cur-icncy. foreign exchange as I repeat is a convenience. It is not an absolute good, it is not a duty it is not a God. I was discussing this mea sure with a very eminent economist, largely with a view to educating myself on the subject and he very graphically put it when he said whenever there is rupee value decline in respect of, say the Dollar, we immediately feel as if our value system as Indian; has been affected. However, if this rupee value were to decline acainst wheat for instance, as it has done, there is not a similar hue and cry. Now, if is necessary for uS to understand, there fore, that the possession of foreign ex-hange is the possession of a convenience. We must not treat foreign exchange as a deity. There are two aspects of both the Foreign Exchange Regulation Act, FERA, and the COFEPOSA, conceptual and regnlartory. Now, as far

as the concept of regulating foreign exchange or conserving foreign exchange is concerned, 1 very briefly state what 1 have to say. As far as the conceptual aspects of both these measures are concerned. we have to make restrictions, therefore the policy content, the principle, the concept of regulating foreign exchange or con-seiving foreign exchange is eminently sound and nobody can possibly find fault with it. lt is when the regulatory aspects of these Acts are taken into consideration, that a great deal of difficulty arises about how our Government is going about its task. The principal difficulty is that the regulatory aspects of these provisions relating to foreign exchange, have unfortunately become less fiscal and selectively more political in application. I would appeal to the hon. Minister to mark my wcras very carefully. Essentially this is a n.ci'suxe of fisoal control. In . vquence. in by misuse, because we have created a wrong climate about it has become selectively political in appli cation. The second principle is that I he conservaton or regulation of foreign exchange has, therefore, become a matter of secondary importance, to shout about, to create a public hue and cry, public alarm, because the policy has not the actual effect of sensibly regulating foreign exchange or sensibly conserving foreign exchange. I can exemplify this statement. Madam, by two small instances. The re-ruhi'ory measures have become more Cr. P,C and IPC. oriented and less as mrasures of fiscal control. An example was given to me by a very eminent economist. It is part of the philosophy ot Indian jurisprudence that in every measu.e where, by right, bail is grantable, then bail must be granted. It is only when bail is not grantable that it is the discretion of the prosecuting authority to consider whether bail has to be granted or not to be granted. However, in application of these measures, the regulatory aspects of these measures, we have become selectively more political. Therefore, what haa hrppened is. as a consequence, there has been a political destruction of the Government's own agencies of detection, own p.gencies of identification, own agencies of eniorcement and the most glaring, the rr.cst vivid example that we have today is this destruction, moral destruction, I do not refer to physical destruction, but moral destruction, for instance, of the Enforcement Directorate. This an example of what I said of selective poliu cal application of these measures. A climate has been created because of whicn it is as if the Government is working towards rewarding the guilty and punishing those who wish to enforce law. 1 his is a very sad thing that has happened that what is essentially a riscal measure has today become political. I would like to take the examples of six cases, (fime-*bel rings)* I appreciate the time constraint. But it is on very few occassions that we in the Opposition are able to do what I have been able to do now, which is to put forward my case and get the Minister IO reply. I snail take six cases of this selective application of laws relating to conservation of foreign exchange. Before I take those six cases. 1 shall refer to and say that a show is created about Governmenfs approach on this is:;ue. Wc have recently had a controversy relating to the issue of certain payments in respect of Bofors deal. Where the Finance Ministry came into the Bofors deal specifically was on aspects of our relationship with the Government of Switzerland and in relation to what the Finance Ministry could have or could not have dene in respect of one Mr. Chaddha. Now, the honourable Finance Minister, in the Lok Sabha, intervened during the course of the debate, and took the trouble to inform us that certain measures had been taken, a team of Reserve Bank officers had been sent, etc. to find out what was happening. I put a simple question to Ihc honourable Minister. I don't think, and I have said this earlier, I don't think there was any need to send such a team to Switzerland in view of the Swiss International Mutual Assistance in Criminal Matters Act of 1981. lt is a Swiss legislation',' a copy of which I attempted to obtain to educate myself on what it was all about. This Swiss Act is categorical.

It says;

"According to Article 1 of this Act criminal proceedings in Switzerland will only be possible if such
are either under way or are completed in the country that makes the request"

So, the reason why I say what I do is that a climate is created as if the Government is doing something without really doing anything. This Swiss measure and what it contains is as easy to obtain as by picking up the telephone and asking our Embassy in Switzerland to let us have a copy of. Secondly, an impression is created as if the Government is acting against all these activities because it wants to restrict the drain of foreign exchange, it wants to conserve foreign ex-change, that some foreign exchange belonging essentially to India has gone through arms trade to wrong sources, and, therefore, Government of India sents a team, It was not necessary to send a team. This Mutual Assistance in Criminal Matters Act is quite clear that you cannot even ask the Government of Switzerland to act unless you yourselves have registered a case in India, leave alone finally deciding a case in India. The Government did not decide, the Government did not even register a case. Why do I refer to this? Because, the Finance Ministry is involved. You want to conserve foreign exchange. On 24th April there was sufficient information available with the Government of India that this Mr. Chaddha, an agent a con-sultant or a representative or whatever, of this arms manufacturing company, is involved with this matter. From 24th April he was not placed under surveillance. Nothing is done. He is permitted to leave the country. On the one hand you do this. On the other hand,--now the return of Hajis is in progress,—I a great number of Hajis will be returning from Mecca,—everyone of those Hajis would be treated at the airports or at the landing points as if they were smugglers, everyone of fhose Hajis would be troubled, everyone of those Hajis would be bullied for small possessions like possibly a wireless set or one of those cassette-players or a television set, etc. The small are troubled; the big with the connivance of the Government get away. Because you restrain me on account of the time factor, I won't go into all the six cases that I had. I will just list them. Enough is known about them. For instance, a neport appeared and I have been deliberately not naming the people concerned except in the case of Mr, Chaddha because, 1 think, that is a particularly infamous example and I do not feel restrained, i do not 'feel inhibited, about naming him. I have here a telex message, a photocopy of a tel£x message, which was sent from a London hotel on September 20, 1983, and it was sent by an Indian citizen on which information is available with the Government of India and the telex message says: [1] Please make the following transfers to Paribas..."....

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): is the telex message sent to you? Has it been sent to you?

SHRI JASWANT SINGH: No. I has been sent to a bank in Switzerland,

THE VICE-CHAIRMAN (SHRl JAGESH DESAI): Then it is not authentic. So, please do not quote. You just mention it-

SHRl JASWANT SINGH: It is authentic and I can authenticate it. I have deliberately restrained myself, I shall authenticate it if you want.

THE VICE CHAIRMAN (SHRl JAGESH DESAI): Instead of reading it out, you just mention it.

SHRI IASWANT SINGH: It is a very short telex message. I shall authenticate 't now and place it on the Table of the House. I was trying to do things which would not be'embarrassing *t^* you. I am ready to authenticate it now.

This is a telex message and now I am obliged to read it out in full. This is the telex message which is sent to a Swiss bank and it is sent from a London hollel and is sent in 1983 It says "PLEASE MAKE THE FOLLOWING TRANS-FERS To PARIBAS 45 MUHLEBACH STR ZURICH ATTENTION MR BON-I FAN FOR FAVOUR OF—1 £ 40,000

OR DOLLARS EQUIVALENT To AD-LISs 2 £ 15,000 OR DOLLARS EOUI VALENT TO AGRICULTURE."

This report is made to the Government of India, a copy of this telex message. This is a straight violation, a straight violation of the Conservation of Foreign Exchange Act, Now, £. 55,000 is not a very large sum of money for a country like India or for a rich man. This report is made. But now we are told that the report and the file containing the report are not traceable! Let me give one more example.

SHRI A. G. KULKARNI; Is it concerned with the Government?

SHRI IASWANT SINGH: It is concerned with the Government of India and I will give details, if you like.

SHRI *A.* G. KULKARNI: I do not want anything; I have got more with me.

THE VICE-CHAIRMAN (SHRl JA-, GESH DESAI): You can speak when you, turn comes.

SHRl A. G. KULKARNI: I said that I did not need his help because I have got my own material.

SHRI IASWANT SINGH: Sir, I will not go into by now infamous example °f the arrest of a famous industrialist connected with paper etc., who is arrested and who is able to secure a bail, almost a midnight bail, from the Supreme Court. Now, if on the one hand you have the industrialist arrested in this manner, it may be a misapplication of, what I said, the bail provisions of the regulatory aspects of these laws. On the other hand, it is also a misapplication of justice when your Supreme Court is granting bail to such people at midnight and when a poor Indian cannot knock at the doors of the courts for anything, who goes without getting any relief!

The third example has sufficiently exercised the minds of the Members of this House and I am not going to be coy about naming names, it relates to Reliance. At least, it is a matter of concern is this House and of the record of this House that Reliance has been charged with forging and ante-dating letter's of credit in foreign exchange to the' tune Of Rs. 100 crores. This has been confirmed by the CBl investigation itself and we are talking about COFEPOSA Act and other things here now. Reliance is aso accused of smuggling large textile factorfes worth Rs- 120 crores. This is a charge by the Indian Customs and I am not going to talk about the large'scale evasion of Excise, Customs and othet duties by Reliance

Take the next example, of Fairfax. On the Fairfax deal, a lot of heat was generated in this House and in the other House and also outside the House and it resulted in an eminent Indian-I am glad he is here now-losing his Job, becoming a casualty. Now, in essence, what was the Fairfax issue all about? In essence, the whole question of Fairfax issue all about? the whole question of Fairfax is not an issue as to whether you engage a foreign agency or a domestic agency, but it is an issue of your engaging any means to findout a wrong-doing. The wrong doing was the misuse of foreign exchange. The wrong doing involved the regula tion of foreign exchange. The wrong doing involved the conserva tion of foreign exchange. On the one hand, you say that these are the regula tions which are on OUT Statute Book. On the other hand, you give an example, you demonstrate, that in application these laws are going to be iniouitous; in appli cation these laws are gomg to be in en-ective because the big people and big in dustries will get away and Fairfax wdl become a huge inquiry and a huge hoax and all that. What it tried to do was to establish the truth if a poor Haji is re turning from Mecca Sharif and if a poor Indian is coming back after having spent three years in the Gulf, then we will trou ble him, then we will take away his tele vision set, then We- will take away his wireless set, his cassette player or what-

[Shri Jaswant Singh]

ever it is. The big will get away and the small will be trapped. Therefore, I have serious difficulties with this particular measure and lam taking this opportunity to make the point. I will be very brief now.

I come to the Statement of objects and Reasons because we are discussing this together. We are informed that "a comparative analysis of the figures in regard to seizures, of contraband goods effected in the said highly vulnerable areas during ihe last three years had revealed that the menace of smuggling has not abated in any way in thie said aren' Thereafter, the Government says that because it has not abated, therefore we want a longer period. On a straight reading of the Statement of Objects and Reasons, one would find that there is no logical and harmonious construction. Further it says that "there longer period of detention for a perioj of two years under this section has, however, proved to be a deterrent effect on those smugglers". It says that a longer period has proved to be a deterrent effect. In the very previous sentence, it says that in these highly vulnerable areas during the last three years the menace of smuggling has not abated. I cannot understand how a longer period of detention can both be deterrent and also the menace of smuggling not abating...

THE VICE-CHAIRMAN (SHRl JAGESH DESAI): Please be brief. You have already taken 22 minutes.

SHRI JASWANT SINGH: I don't think that is very much.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI: The time allotted is three hours and there are so many speakers.

SHRI JASWANT SINGH: I am mind ful of your cautioning me about time. I have a number of suggestions to make on this.

SHRI A- G. KULKARNI: You can make them while replying.

SHRI JASWANT SINGH: I shall make them when I reply. I have tried to be brief. It is for some of these reasons that I oppose this measure and have moved my Resolution of disapproval. As far as the concrete suggestions are concerned, after the Minister has elaborated his views, I shall take that opportunity to give my suggestions.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): Sir, I beg to move

"That the Bill further to amend the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 as passed by the Lok Sabha, be taken into consideration."

The Conservation of Foreign Exchange and Prevention of Smugling Activities Act, 1974, provides for preventive detention of persons in certain cases for the purpose of conservation and augmentation of foreign exchange and for prevention of smuggling activities.

The Government has already ammoun-ted their firm resolve to effectively deal with the smugglers and other economic offenders including the foreign exchange racketeers. While stringent measures continue to be taken under the normal laws, preventive detenion of smugglers and foreign exchange racketeers may become necessary in certain types of cases with a view to immobilising their organised gangs form continuing their activities and to provding a deterrent to those who are habitual offenders. We have emphasised, time and again, to the State Governments who are also the detaining authorities under the COFEPOSA Act, that preventive detention should not be treated as an alternative or substitute for action under the normal law and that the enforcement authorities should reinforce their intelligence set-up in order to launch prosecutions against the smugglers and foreign exchange racketeers in the ordinary course of law. The COFEPOSA Act, 1974, is thus one of the powerful weapons for disrupting organised activities of smugglers and foreign exchange

racketeers, effectively putting out also of commission the king-pins, the financiers and the masterminds and their links and associates who cannot be reached undei the normal law for want of evidence strong enough to stand the rigours of the Evidence Act in a court of law. Detention of such persons under this Act also enables the investigators to complete their in-depth investigations of all possible ra-mificaions so as to bring to book as large a number of persons involved as possible.

In particular, Section 9 of the Act deals with the detention of any person who is engaged in smuggling activities in areas highly vulnerable to smuggling. Such areas have been indicated; in the Section itself. Under the provisions of this Section, detentions made for activities perpetrated in such areas can be up to a maximum period of 2 years, as against the ordinary period of one year otherwise, if a declaration is rnade under this Section. This Section, however, applies only in respect of detention orders made before the 31st of July, 1987, which has been extented for a further period of three years beyond 31st July, 1987 under the Conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Ordinance, 1987, promulgated by the President on the 2nd July, 1987. This Bill seek$_s$ to replace the Ordinance. That the COFEPOSA Act and particularly its Section 9 have been effectively invoked and they have significantly supplemented the efforts of the anti-smuggling and enforcement wings of the Ministry of Finance find full sorroo-boration from the following date: The total volume of seizure of smuggled goods is given as follow; In the year 1984, for the whole country, the seizure was to the extent of Rs. 101.09 crores, for vulnerable area, it was 92 per cent. In the year 1985, for the whole country, seizure was *to* the extent of Rs. 195.63 crores, far vulnerable areas it was Rs. 152.03 crores. That means, it was 78 per cent for the vulnerable area. In the year 1986, the seizure has gone up to Rs. 216.99 crores from Rs. 101.09 crores in 1984. And for the vulnerable areas, ;t has gonte up to Rs. 164.96 cro-

res. Percentage-wise, it was 76 per cent. In the year 1987, up to June, the seizure was to the extent of Rs. 109.26 crores. For vulnerable areas, it is Rs. 70 crores. Percentage-wise, up to June, 1987, it was 66 per cent.

So far as the COFEPOSA detentions arc concerned, in the year 1984, the number of orders issued was 904 the number of persons detained was 710. In 1985, the number of orders issued was 981 and the number of persons detained was 760. In 1986, 1,078 orders were issued and 812 persons were detained. In 1987, up to June, about 622 orders were is-sued and 441 persons were detained. As 30-6-1987, the number of persons under detention in various jails was 582.

Sir, results of the action taken undet the COFEPOSA Act, as mentioned atove, also bring out that but for this Act and particularly Section 9, the scale of smuggling would have been much greater. Further, over 75 per cent of the total seizures of contraband effected in the country are accounted for by the highly vulnerable areas. The detention for a period of two years in respect of the smuggling activities, from or through the highly vulnerable areas acts as a strong deterrent. Hence the need for extending the provisions of Section 9 of the Act for a further period of three years.

Sir, with these words, 1 commend the Bill for the consideration of the House.

The questions were proposed.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): The Statutory Resolution and the Bill are now open for discussion. Now, Shri M. A. Baby.

Yes, Mr. Baby, ten minutes.

SHRI M. A. BABY (Kerala): Thank you, Mr. Vice-chair-man, Sir, I rise to support the Statutory Resolution moved by Shri Jaswant singh in order to disapprove of the Conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Ordinance, 1987, and oppose the enactment of th$_e$ Bill as proposed by the

[Shri M. A. Baby]

Government. Sir, let me make it clear at the very outset that the so-called intention of this enactment will be supported by one and all in this House. There are no two opinions about the necessity of preventing the menace of smuggling, crimes committed by economic offenders by amassing foreign exchange and committing all other related crimes. But, Sir, the question is whether the Government is serious and sincere in doing so. Already by moving the Statutory Resolution, the hon, Member, Shri Jaswant Singh foas enumerated certain cases whereby an atmosphere is created in our country that the Government, on the one hand, is trying to shield and protect those who have committed crimes, economic crimes, and they 'ate being given every opportunity to escape, and on the other hand, those who try to take appropriate firm steps, stringent measures against economic offenders, smugglers, tax evaders, those who siphon off valuable foreign exchange from our country they are being persecuted. I need not elaborate that. Everybody knows that. This is the pracatice of the Government despite whatever loud proclamation and declarations they may make.

Secondly, Sir, I am against the method in which the Ordinance has been promulgated. The practice of issuing Ordinances has already been commented upon. I am not accusing those who incorprated this provision 'n the Constitution investing the the right with the Government to issue Ordinances in exceptional circumstances as in the case of human beings is whose case doctors are sometimes forced to give food through nose through a tube, though normally food is being taken by human beings through the mouth. Similarly though We have legislative bodies, through which matters relating to our citizens are to be decided upon, in exceptional circumstances Government could take recourse to the issuse of Ordinances. But, as has been amply explained, instead of going before the Legislatures, the Government is taking recourse to governance through Ordinan ces, and governance through backdoot

Sir, time and again we have apposed it stoutly but unfortunately the Government is not prepared to pay heed to the demo cratic sentiments being raised not only by the Members of the Opposition parties but also by the people at large. We are firmly opposed not only to the method in which the Ordinance has been issued, but to the very content of it, enhancing the period of preventive detention from one year to two years. There is a discrepancy. On the one hand the Government claims that by increasing the period of preventive detention., t'hey hope that the menace of smuggling and other economic offences can be contained, on the other hand there is nothing to show that this could serve the purpose, according to certain statis tics. This amendment was brought in the year 1984, and in the year 1985 only 7 per cent of the overall smuggled gold could be seized by the Government mac hinery. According to some estimates, about 150 tonnes of gold is being smuggled into our country every year, which is worth Rs. 4200 crores. In the year 1984-85, only Rs. 287.56 crores worth of gold could be seized by the Government. That mefans, only a fringe could be seiz ed. Next comes the textile goods as an item which is smuggled into our count-y in abundance. Here also, the statistics show that the Government failed miserably in containing this problem. Every year, about Rs. 3500 crores worth of textile goods are being smuggled into our country, according to some estimates, and during the same period, only 5 per cent of it could be seized by the Government. So, why introduce such measures to extend the period of preventive detention? We have the experience that on the pretext of dealing with anti-nationals, dealing with smugglers, black-marketeers and hoarders, so many dfaconian measures have been en acted, like MISA, NSA, DlR and s° on. But time and again, these draconian Acts have been nsed against political opponents. I need not elaborate on II. point. This is the experience. So the question is whether the Government is serious and sincere in facing the menace. The main point, is to break the nexus between 'his kind of economic offenders, big sharks, politicians, and the bnreaucrats who are working hand in glove with these

economic offenders. There are sincers and honest officials in all these departments but when they come fonVard sincerely to take stringent measures agtinst these kinds of criminals, they are sacked, and he who provides ladership to them t° deal with these criminals, would also be sacked. In that situation, how can these offici'als come forwtrd sincreely and honestly and with confidence? This is the most important thing which 1 would like to raise here.

Now, how is the atmosphere being created in the country for the smugglers to go ahead with their practice? There are many aspects but due to constraint of time, I don't think I can go into it. One aspect is due to existence of a .large army of unemployed, these big sharks engaged in smuggling can recruit cheap labour, and we know even when some arrests are made most of those who are arrested and kept under preventive detention belong to this category of small frys who are forced to, act as representatives of big smugglers. The big sharks are always allowed to escape.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI) Please conclude now.

SHRI M. A. BABY: I will just mention one or two points and then conclude. Big sharks like Win Chaddha always escape. Big sharks like Ajitab Bachhan always escape. It is only the small frys who are arrested and kept under preventive detention. Sir, who are pfactising this? Who are actually taking up the smuggling work? It is the poor unemployed youth. I am told, there are some established institutions in Bombay and some other places where scientific and technical know how on smuggling is being imparted; how you can carry gold coins in certain parts of your body and move about without creating any suspicion. Such classes are being held in some institutions. Many people consider this as a self-employment scheme. This one aspects.

Secondly, apart from this problem of unemployment which encourages people to take to smuggling activities, among people, there is a craze for foreign goods. This dence struggle, we had the Swadeshi movement. This inspired the people. When we see the scientific and technological development of our country today, we can say that we are not in a very pathetic condition. Even in the field of consumer goods, our standard is not very bad. But unfortunately, it is those who are supposed to set examples, those who are supposed to behave in an exemplary manner, go for foreign goods. I am not mentioning anything about the Per sons. That is different. I am only mentioning about the craze for foerign gooas. This should be discouraged. This also creates an atmosphere where everybouy is after foreign goods.

Lastly, Sir, I would like to mention one more point. The officials who are tak-.ng firm decisions in implementing tiiese lawi.—not the preventive part of it— should be encourtged and a sense of confidence should be instilled in them unlike what the Government has been doing sil this time. Once again, reiterating the point that the provision for preventive detention cannot be supported by us, we oppose it tooth 'and nail. The method in which it has been brought in is also highly objectionable.

With these words, I conclude. Thank you.

SHRl A. G. KULKARNI: Mr. Vice-Chairman, sir, I rise here to support the Bill moved by the Government. I really could not understand the views expreuc"! just now by my friend from the other side, from the CPI (M) Party and earlier by my firend, Mr. Jaswant Singh. He has brought in a Statutory Resolution opposiig the Bill. I am really surprised at this alitude of the Opposition when the opposition parties and many of our friends are carrying *onaabhiyan* outside to educate the people that economic offenders shoud be punished and here when the Govern-ment has moved a Bill to tighten the machinery to bring such economic offenders to book, they are opposing it. I really wonder what is the logic behind it. I would like even that party to support this Bill. Sir, in a sense I am happy that . this Bill has been moved. The point is that very recently the Prime Minister has

[Shri A. G. Kulkarni]

and policy of this Government to take stringent measures against the economic offenders. J have also read recently what Mr. Tiwari has said in the 'Sunday Observer of 16th August that raids are a part of enforcement mechanism and there is no question of any political compulsion. 1 am happy to note that. But I cannot remain happy because 1 have also got some, problems which I have been raising since my election to this House in July 1986. At that time, we raised many problems and on many problems the then Finance Minister agreed with us and sent whatever difficulties we mentioned here to the Reserve Bank of India or whatever it is. The steps taken and some reports of the Commission were placed on the Table of the House. My friend, the Minister of State, Mr. Poojari will bear me out if I suggest to him that the proof of the pudding lies in its eating. Whatever we, may say, we the Congress Party has the cardinal responsibility to establish in this country that we are seriously against the economic offend— ers, come what may and whatever may be the political pressures on us. Why I say this is, during the last fortnight in this House and in the other House the whole talk is on Bofors or submarine deal, or so many other economic misdemeanors on the part of wavrious political personalities or industrialists or machinery manufacturers. I am deadly against allowing any offender to go soot-free. That may be a tall claim, bet actually efforts must be made in that direction.

I want to draw attention specifically to five or ten instances in which I have got very strong feelings. If I had been on that side, I would have used some other words, but now I want to be a little bit compassionate to my young friends on this side—Mr Poojari, because the difficulty why I say it is you know.. .

SHRI JANARDHAN POOJARI: So far as I am concerned, he can use any words he likes. I can give him a free hand. So far as Poojari is concerned, he need not worry. I will not away from it. And for his information also, I may tell him that he has referred to the then Finance Minister . I was also a part and parcel of it and the Government is one. He need not refer to anybody. I was also there and he is bodily present today.

SHRI A. G. KULKARNI: I am very much thanKtui to Mr. Poojari for stating this. In tact he need not state this. I know that when Mr. Poojari and Mr. Singh were Minister of Stare and Minister of Finance, they were one and the Government was one including the Prime Minister. I need not be educated and briefed on that. In July 1986 and then in February-March 1987 also, I raised certain points. What I mentioned was about Fairfax Commission. I am not going into the merits of that Commission because it is a judicial body going into some aspects.

SHRI JASWANT SINGH: It is not *sub judice'.* It is merly an enquiry.

SHRI A. G KULKARNI: I do not want to take benet of that whether it is *sub judice* or not. Mr. Vice Chairman at this very moment a plea has been taken that by giveing some work to a private investigating agency, some anti-national thing has been ddne. I do not contribute to that, because this very Government the Congress Party Government during the last many years has given various inquiries to international agencies, to what you call Interpol and other agencies or whatever it is. Very recently Mr. Minister of State, while speaking on some subject in this House, 1 raised three, four points, write letters to you, I wrote letters to the Chairman of tin's House also. Still they are not replied and satisfactory action has not been taken. Why 1 say this is because I have found evidence— not a telex as my friend, Mr. Jaswant Singh, has found or received from somewhere.

SHRI JASWANT SINGH: sir just as a matter of correction: I haven't received that telex. I merely cited a telex; I haven't received it. I cited it, I quoted it.

SHRI A. G. KULKARNI: Hers I have to site, Mr. Vice-Chairman, the ramifications of various economic offences like smuggling and blackmarketing. What I want to say is that the previous Director of Enforcement had written to Mr. Bruno who is the U.S. counterpart of our Direc-

tor of Enforcement. He was approached on two matters. One was the *benami* investments by certain non-resident Indians in India and another was the specific case of Reliance which were referred to him. I think Mr. Bruno expressed his inability to investigate into Reliance, etc.,—for what reasons, I do not know. But, as regards Prafulla shah and Nalini Shah I made a reference *to you,* Mr. Minister—I wrote you a letter that Rs. 100 crores were bought to purchase debentures in this country—and still no action has been taken by the Government. And you expect me to convince the people at large that we. are very serious about booking economic offenders. That is one of the reasons why I have taken this opportunity to speak.

Mr. Vice-Chairman another matter was, when we talked of COFEPOSA, the example of BCCI was given. This was raised when the ex-Finance Minister was the Leader of the House here-. We were told that inquiries were being made but that gentleman was arrested—he was with the Bank of Commerce and Credit in Luxembourg. This case was referred and we were- told here in this very House that inquiries were going on. He was arrested under COFEPOSA. Bill one Mr. Murari of the Bank, who was arrested under COFEPOSA ran away to foreign countries. Agajn he very happily came back and is entrenched in the office from where he ran away. Am I to understand or am T to swallow it that the stringent actions necessary for these are being taken?

Then, Sir. here is ano'her problem which relates to the Louis Dreyfus Company. What action have you taken'.' Whethc,. It was the previous Finance Minister or the new Finance Minister who has now taken •ver whoever it is, I want t° say that tions were initiated against five or six - artant industrialists in this country, not stroy them but because precious for- change was hidden in foreien coun- one reason or the other. Now demand from the Government a feeling is going round the at will have to be convinc- te Paper that since lanuary, ans have been initiated before ncluded and cases filed or are -ss. I suggest *to* you. That is why my language has to be more modified now. I only plead with you that if we want really to convince. ...

SHRl VISHWANATH PRATAP SINGH (Uttar Pradesh): Sir, with a little shift he can regain the language.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): He has said so many things.

SHRl VISHWANATH PRATAP SINGH: With a little shift you can regain your language.

SHRI A. G. KULKARNI: No. I am sorry. T cannot. I do not want to. I am a Congress man and I want to remain a Congress man till my death. I don't want to leave this position.

SHRI P .N. SUKUL (Uttar Pradesh): You don't want to be. expelled.

SHRI VISHWANATH PRATAP SINGH: That is the other alternative.

SHRI A G. KULKARNI: I don't think my party has a feeling that we only have to speak to please somebodv I am not a man of that type. I will please my own conscience and speak.

SHRI VISHWANATH PRATAP SINGH: Good.

SHRI A. G. KULKARNI: 1 am saying that in the Louts Dreyfus and Co. case no actio is forthcominc. These two items have been mentioned bv my friend There if ante-dating of the letter of credit. Here only the Finance Minister s-n'd. it had been given to the CBL The CBl report came, and now no action is forthcoming.

About the smuggling of a plant, here Mr. Vice-Chairman. T assert again. Mr. Poojari should examine. The industriah'sts concerned Reliance approached the Petroleum Minister and got the denier changed to 40 average a notional count. It is never exnresset like that. The capacity in the licence is always expressed in terms of spindles or positions reciuired. So they want to asrain skin the inauiries to benefit Reliance. What T want to say is this. You may not be knowing. You are a verv honest person. in our Prine Minister, T believe when he says the Govt, will punish offenders. But the points stems to be, the

[Shri A. G. Kulkarni] Finance Ministry bureaucrats, the Petroleum Ministry bureaucrats and the CBl sleuths are in nexus to help, protect the offenders and particularly Reliance? What I think is, if 1 have understood the *abhi-yan,* What is going on is round about this purpose only. So for that purpose, I would request you. Mr. Vice-Chairman, you will be surprised to hear...

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Please conclude now**.**

SHRI A. G. KULKARNI: 1 am coming to end.

I have got a telegram from the Bhiwandi and Sural Synthetic Manufacturers Organisation. They are asking me. This is the sixth telegram I have received. Rs. 200 crores worth of gratitude, the largest of the Finance Ministry, has been done to Reliance between January and June of this year. Am I to understand, am I to swallow that the Government is right on top of tile offenders?

Here Mr. Vice-Chairman, why I am bringing till these problems is because this is an opportunity to place my bitter feeling to Government.

Mr. Vice-Chairman, I am not going to take more time. The danger seems to me to be this. You know, at this age of mine, I do feel that i_n this country the Indian mind, Indian psyche has placed emphasis, more on *sadhaiia,*

'साधनानां सुचिभूततां"

As a Congress man I was taught like this. The method to achieve a purpose ha_s also to be nonviolent, moral and on a very higher pedestal. I see now because of these scandal's and all these *abhiyans* going round this country. The time has come when people are losing faith in democracy iisclf. I would request my friends in the Opposition also. They win have to have a sense of proportion. We can ask the Government. We can write to the Government. We have written also Mr. Minister of State, to the Prime Minister in July and December, 1986. Various applications have been made that these are the offenders against whom take action is overdue. I think, at that time, my friend, Mr. Singh, was also there in the Government. Whether any application has gone to him at that time, I do not know, and I do not expect from him also to tell me. But my main point is that the people are losing faith in the system. For heaven's sake stop people getting frustrated. It is not that. I am not pleading that the Govern ment, through its Enforcement Directorate> should destroy the industry of this country. I will the last person to do the industrial ists should be protected. But for what they should be protected? They should be protected for honest effort and not for smuggling money and not for smuggling plants. Sir, Rs. 200 crores worth of lar gesse has been given. At whose cost this largesse has been given? You have re duced the duty on P.T.A. and that P.T.A. plant of the Reliance has not even gone into production. He has antedated and forged the letter of credit and imported P.T.A, worth of Rs. 100 crores. Why are you taking no action. We have written letters to the Chairman of this House to the Finance Ministry and to the petroleum Ministry regarding this matter. So Mr. Poojari, I would only request you to look into this matter which we have mentioned which is of a grave nature. They make an impact on the people's mind and if the Government want really to hold the bull, they Should hold it by the horns and not by the tail. Action is needed and it is much sought after. Don't take actio when it is very late. Thank you.

THE VICE-CHAIRMAN **(**SHRI JAGESH DESAI) Shri N Rajangam. You have got 8 minutes You can speak upto 1.30 P.M.

*SHRI N. RAJANGAM (Tamil Nadu): Mr. Vice-Chairman **Sir.** In the year 1974 the Government of India got the Cop servation of Foreign Exchange and Prev tion of Smuglling Activities amended by the Parliament, But. tha alarming rise of offences and vir' of the Act and on realsing the inac of it, the Government has no' another amendment before thr-housc. This Is really a welc When we analyse the issue to

English translation of to speech delivered in Tamil.

-nces are committed, we find beyr any doubt that the Coastal areas are to such unlawful activities.The perpale of this country also know this fact. It s not just the North-West front but the long coastal lines along. Tamil Nadu, Kerala, Andhra Pradesh and Karnataka where these activities go On a large scale.

In the pre-independent era, the great peopie of our country had decided not to wear foreign clothes. Those people are no more with us. But we raise slogans likr be Indian buy Indian that serve no real purpose. The Government alone is not responsible for this kind of situation. The people of the country are also responsible in a big way. And I may remind the house that we, Parliamentarians sitting here are part and pacel of it. Both, the legislators and the executives do constitute a part of the society. So, every one in the country is responsible for this. I want to ask a pertinent question. Let us be conscientious and speak out. Are we people, sitting in Parliament House, devoid of Jovo for foreign goods. Inspite of all the propagation of ideologies, it is true that there is a craze for foreign goods. Smuggling and violation of foreign exchange regulations are going on in a large scale. This should he put down. In the days of our arK'estores, gambling, drinking, lying and preventing people from rendering help to others were regarded as five great sins. So. tha people of the time abstained from these vices. In those days, there were no representatives, no bureaucrats, no Ministers, no advisers and no Parliament. But the people followed the code of marality. TUey were incapable of committing sins.

But we, the people of the time, are a different lot. There are good people like the Hon'ble Minister Shri Janardhan Poo-jari, who wish to do something good for the down trodden people. But there are hurdles before them. What is the reason for large scale offences in the Northwest front? There is accountability in the history with regard to this. In the year 1526. Babar invaded India. Since that very time, the smuggling and violation of foreign exchange nave been going on. I wish to bring one more thing the notice of the Hon'ble members. Do we people, who enact law here, go outside the house and educate the people to obey law and follow the moral code. We never worry about it. The moment we enact law and leave the Parliament House we take it for granted that everything would go well. The words unity, integrity, stability and security should not become hollow slogans void of meaning. This should be put into practice by us. It is a great sin on our part as Parliamentarians, if we remain silent spectators of the offences committed cutside. It should be a matter of great concern for us to bring about an atmosphere in the society that would ievive the morality among the people. I support the bill and thank you for having given me the opportunity to speak.

THE VICE-CHAIRMAN (SHRI JAGESH DEASI); Now the House is adjourned for lunch and again will meet at 2.30 P.M.

The House then adjourned for lunch at twenty-eight minutes past one of the clock.

The House reassembled after lunch at thirty-two minutes past two of the clock. The Vice-Chairman (Shri Jagjesh Desai) in the Chair.

SHRI RAOOF VALIULLAH (Gujarat): Mr. Vice-Chairman, I rise to sap-port the Conservation of Foreign Exchange and Prevention of Smuggling Activities (Amendment) Bill, 1987. As pointed out earlier, this is a very simple Bill with only two provisions. But although very simple, it is very significant. It is simple in the sense that there was a provision in the Act under Section 9 in v/nich smugglers in vulnerable areas could be put under detention 'for two years while elsewhere in the country it is one year. In these areas which have risen de-fined in the Act also it is two years and that period was going to lapse on 31-7-1987. Therefore, an Ordinance was promulgated on 2nd July and this Bill is intended to repeal the Ordinance and also give a further extension to this provision by another three years, that is, up to 31-7-1990. I don't think there should be any objection to this provision. As far I heard honourable Members from both sides who participated in this debate, I presume that in principle they have nothing against the Bill. The previous speaker also supported the Bill but on one condition and that condition was that the provisions of the Bill, of the Act, as such should be made more stringent because the present provision actually falls short of the requirements of thp situation. There was an objection as to why the Ordinance was promulgated and why the Government did not wait till the Parliament commenced on the 27th July. I do not want to go into the merits or demerits of what he said. But we all know what happened in the first week when Parliament actually met, and if the Ordinance nad not gone through, then I thank it would have created problems for the Act to be implemented, sir, as per the provisions of section 9(1), the period of detention of smugglers in the vulnerable areas has been extended by two years. The statement in the Bill in this particular area is not very clear, it is said that some of the areas, particularly Gujarat, West Coast, Kerala, Karnataka and Tamil Nadu are very vulnerable areas, vulnerable to smuggling activities. We have no doubt about it. But the other parts of the country like the Indo-Nepal border areas, Indo-Tibetan border areas, some parts of the north-eastern region and some parts of West Bengal are also equally vulnerable to smuggling activities. Every year, as per the newspaper reports and as per the statements made by the Minister, gold and other precious metals, about 120 tonnes or so, are being smuggled and the gold smugglers are running a parallel economy in this country. About Rs. 300 crores' wor-I7i of polyester fibre is brought into the country from Japan, Taiwan and other countries, and as you are aware, l;ikhs of people in our country are taking narcotics which are also being smuggled across the borders.

Sir, the other amendment is of a' con-sequential nature. Now, Goa has been made into a full-fledged state and, as such, Goa, Daman and Diu have to find a place separately. But, as regards the importance of the Bill, it is very great. It has great significance and it has a direct bearing on our economy. It is common knowledge that the smugglers

are multiplying and intensifying their activities throughout the country. The smugglerss are posing a threat to our economy and there is no denying the fact that there is a parallel economy going on in the country whicn is operated by the smugglers and blackmarketeers. So, (his particular section needs to be dealt with very firmly and I agree that the provisions of this Act, as they stand t°day, are far short of the requirements of the situation. Smuggling needs to be handled very ruthlessly. Goods worth about Rs. 1,300 crores, in the shape of gold, textiles and drugs, are being smuggled into this country. Again, as we all know a lot of money is being deposited in foreign banks too. If the m°ney flows outside and if it is not checked, then can we talk of conservation °f foreign exchange? And, Sir, this Act intends precisely to do that, to conserve foreign exchange.

Sir, the honourable Member from the other side, Shri Jaswant Singh, referred to the Deputy Governor of the Reserve Bank of lndia being deputed to find out as to what the position is and the Government has stated that negotiations are going on to establish rapport with the Swiss Government as to how these culprits can be brought to book. Sir, as regards black money, i would like to congratulate the Govemment and the Finance Ministry for having stepped up their anti-smuggling activities. In fact, every day, when we open the morning newspapers, we find news items about seizures of gold, drugs, etc. and the two impor tarit operattons namely, 'Operation Rana" and "Operation Burma Bazaar" were also made by the Enforcement Directorate 3f the Finance Ministry which has yielded positive results. Again, on the West Coast, goods worth Rs. 107 crores were seized. In the East Coast, the figure was Rs. 43 crores. Probably, that may havte been the reason for putting the West Coast as a vulnerable area. But I would suggest to thr Government that it is time for them to consider the whole country as vulnerable because smuggling activities have been going on across the country, whether it is East Coast or West Coast. Sir, any offence committer in one place is as severe as the ofrenee committed in another place. The route for smuggling particularly drugs is from Afghanistan and Pakistan through Amritsar and it comes all fine way to Delhi. From South-East Asia, it is through Burma, Nepal and Bihar. It comes to Delhi and then it goes to other parts of the country. Therefore, the whole country should be treated vulnerable for this purpose and punishment should be similar for tha people involved in smuggling. Hitherto, India has been a transit base for drugs from the golden triangle and it has now become a major consumption area. Drugs flow into our country not only from Pakistan, but also from Nepal and Sri Lanka. Much °f the terrorism in the Western region and in the Northern Re gion would be traced to drug peddlars, Two events sepm to be occuring simultaneously. Internal instability in India and the use of drugs and other narcotics have abetted terrorism, in fact, terrorism cannot be divorced from the ramifications of drug trade. This trade is very very dangerous and some of the security and police personnel who have been engaged in checking smuggling are also now Reported to be in league with the smugglers. Therefore, I would urge upon the Government to take firm steps and

[Shri Raoof Valiullah]

to see that smuggling is tackled very effectively. It has to be done ruthlessly.

Sir, I would now invite the attention of the hon. Minister to the Statement of Objects and Reasons. I do not want to go into it at liength. The hon. Member Shri Jaswant Sing,has also spoken about it. It says: "the menace of smug gling has not abated in any way in the highly vulnerable areas." If the Statement of Objects and Reasons says that it has not abated in any way, then I would request the Government be be firm and use more powers to check the menace of smuggling in all possible ways and manners that the Government can choose. A comparative analysis of figures in regard to seizures and contra band activities collected in the highly vulnerable areas during the last threa years had revealed that the menace of smuggling has not abated in any way. If the Statement says thatt it has not .--ba ted in any way, then I thing it is a very serious matter and the Government should ponder over it. I would request the hon. Minister to see that the powers that are vested with the Gov.ernmenf and the Powers whick the Government will have by the new Amending provision are used to see thai smuggling which is a growing menace in the country, is stopped. I have only one apprehension here. When any power of preventive detention is given to the auth ority, it becomes very lax and its investi gative and detective agencies do not work any more. It catches hold of anybody, it can lay its hand on. And it also becomes corrupt itself.

Sir, it has been our experience Chat tha Preventiv- Detention Act, under various names, has wrought havoc in the ordinary crime detection agencies of all the States. And here my apprehension is that all such Acts are utilised in the way they think fit. And, therefore, I 'have a word of caution and with this I conclude my speech. Opposition leaders termed them as draconian laws. They may not be draconian. on the one hand they say that smuggling should be put down ruthlessly and on the other they say that they aro draconian laws. Therefore, the Government should see that if at all these laws are to be applied, it should be in a good manner and mainly to apprehend culprits. I think, the Government will do a great job to put down this smuggling manace and activity in this country. Thank you, Sir

SHRI D. B. CHANDRE GOWDA (Karnataka): Mr. Vice-Chairman, Sir, it is not just the amendment which is sought to be brought today but it is the political will that is of utmost need of the hour to curb smuggling.

Sir, the hon. Minister himself in the other House has agreed that smugglers and economic offenders have been running a parallel economy in the country. My surprise is as to who should contain it and what is the method.

Sir, before I deal with certain aspects of the Bill, I would like to draw the hon. Minister's attention to the fact that the known smugglers of the country are trying *to* cover up their crimes by launching political parties and organising charitable institutions. Through these charitable institutions they are trying to not only destabh'se the economy but they are also disturbing even the communal

harmony in the country. Sir, I do to want to give the specific instances on this issue. Probably, the hon. Minister also knows as to what is going on. I would feel that unemployment is one of the most vulnerable areas for the sug-glers to make use of trtem for their ultimate end. Whether it is the unemployed who live in the jhuggis and jompris of Bombay or elsewere or even the educated unemployed, they are also being drawn to this field. The Inost unfortunate part of it is that in the National newspapers or in the regional press we see a big publicity calling for the youngsters to register themselves. With the fond hope of getting a job, they go to them and they fall into the trap of these smuggling groups. They are being trained regularly. Ultimately they cannot come out of the clutches of these smuggles and they get caught. This is one of the important areas in which the Ministry should dwell upon. When the advertisements are given fee: giving, employment by eertain, people, parti cularly either by the institutions or the individuals, their whereabouts, their economic holding, their standing in the public life, etc. have to be scrutinized. In addition to that certain international agencies are also involved, particularly with respect to the smuggling of narcotics. As one of our previous speakers mentioned, the Act of 1974 is far short of being able to deal with this problem of smuggling. Therefore, I hope the Minister will come before the House with a comprehensive Bill with deterrent punishment to deal with smuggling activities.

Sir, some of the nations like Malaysia, Thailand, etc. have brought out laws even providing for death punishment in such offences. I am not trying to advocate that here, but at least a smuggler, should know that he cannot escape the deterrent punishment of low. The Hon. Minister stated in the beginning that this particular COFEPOSA Act is in addition to the normal laws that are in force in the country. Even after passing this COFEPOSA Act of 1974, the figures that he has furnished, clearly show that this menace could not he brought down Now, I would suggest smugglers' properties and their wealth should be assessed and brought to books.

Sir, I would request the Government of India to think in terms of a Lokpal Bill on the pattern of the Lokayukts. Bill passed by the Government of Karnataka. Within the purview of this Bill should be brought these smugglers or persons who are connected with smuggling activities or those who publicise or organise training of smugglers. All of them should brought to book under the provisions of this Bill. Sir, as has heen pointed out by many of my previous esteerrted speakers, the Act of 1974 should be gone through and a deterrent punishment should be provided m the law. It is estimated that more than, the estimation I provide is not authentic, Rs. 10 crores is hieing generated every year only through three items. The three activities are the smuggling of gold, smuggling Of textiles and smuggling of drugs. There is almost a parallel economy running in our country to the tune of 7 per cent of our national economy. So, I would request the Minister that just enhancing the punishment from one year to two years alone will not solve

[Shri D. B. Chandre Gowda] the problem. Therefore, as I suggested in the beginning, it is the political will and moral determination which is required to fight these problems.

Sir, the vulnerable areas arte not only the four States which have been mentioned like Maharashtra, Kerala Karnataka and Andhra Pradesh and parts of Orissa, but now new things have come up specially in Bangalore. I was surprised to know that new groups of people are engaging school-going children and college going boys and girls and encouraging them to travel through their agency to Singapore and come back with whatever they are given there and hand it over to them here. The benefit that the person, particularly the student who goes there, gets is that hr gets a free ticket but whatever he brings back, nobody knows. It may be gold it may be other articles. And thus, such articles Of the order of more than Rs. 3000 crores are being smuggled every year into this country and we speak of conservation of foreign exchange and removal of this menace. In the last session it was pointed out by the previous Finance Minister that foreign exchange of the order of Rs. 1300 crores is lying in the Swiss Banks. But of late, we received information that this menace of keeping money in Swiss Banks is not confined only to this amount of Rs. 1300 crores; it runs to about Rs. 40,000 crortes. And we. speak about conservation of foreign exchange through this Bill. While we are discussing this Bill to amend COFEPOSA Act, I appeal to the Minister; let him come out with the positive Uesults achieved in the last 12 years of its operation. While doing so, he should keep in mind the fact that while Wanchoo Committee had estimated the amount of black money in this country at Rs. 14,000 crores in the seventies, the latest publications show that it is of the order of Rs. 35,000 crores, and the gamut is beyond that; it is more than Rs. 76,000 crores in black money operating in this country. If you are really interested tfc, think in terms of a sound economy, you should not forget the fact that it all depends on the morale of the people who are at the top and who are running the economy of this nation. So, keeping this national aspect in view, I still have a hope that things could be set right. It is not just the Bofors Howitzer guns Or submarines deal or any thing else which is being discussed, it is the whole gamut of foreign exchange conservation which is being thought of in this Bill. And if you really want to take care of it, I would again say that the Government must rise to th© expections of the people, with a high morale and with a strong political will and try to contain the black money being generated through these smuggling activities. Thank you. .

SHRI CHIMANBHAI MEHTA (Gujarat) ; The problem as I understand is not only of deterent punishment, because we have been increasing punishment measures, but it is something which has to be reviewed in relation to our fiscal blicies, because deterrent punishment. The ques-300PM. tion is why it is attractive and how you can make it non-non-attractive. This aspect has also to be kept in view. I was going through the de-bate in the Lok Sabha and I was also hearing the speeches here. One expert has made an estimate that our entire trade deficit can be wiped out if we can prevent smuggling. According to him, smuggling is of the order of Rs. 10,000 to Rs. 11,000 crores and this much of exchange currency goes out of our country. Officials ire talking to some journalists and some friends that only five per cent of the centraband is seized while 95 per cent escapes from the hands of the authorities and has an easy flow into the country. In 1986, we seized Rs. 200 crores worth of goods. In 1984 and 1985, Rs. 100 crores and Rs. 197 crores worth of goods respectively were seized. As I said in reality, the figure will be around Rs. 10,000 crores which is the extent of smuggling.

In the textile industry, they say tha' hardly one to two per cent is seized. The rest gets easily smuggled into the country. Some put the figure at 2,000 million metres. Some say, 3,000 mitlion metres. When we put questions to the hon. Minister, we get the reply that it is not possible

to give any exact figure of smuggling because they have not made any assessment. We talk about these figures on the basis of what we read from the newspapers and as we try to understand it. But one thing is clear. Smuggling is going on on a colossal scale. We have been passing stringent laws. Still, smuggling is increasing. The question is why? The textile industry says in one voice, from the trade union leaders to the mill-own. ers' federations, that smuggling has hurt the industry very badly. This is because fabrics that come from Taiwan Japan and Singapore are three times cheaper compared to the prices of fabrics that are produced in our country. They say that there is 300 per cent profit for the smugglers. This is the assessment of the industry. They say that there is heavy tax-ation, excise and other taxes, and the overhead cost are also high. This gives an inducement to the smuggling of textile fabrics. Either you must have a very strong customs machinery, honest and efficient, so that they can deal with smuggling or you have to reduce the excise and other levies. According to one estimate, —this is an official estimate by the industry—three lakh more workers can be employed if smuggling is stopped.

More mills are closing down. The Finance Ministry sometimes consider that economic concessions should be given, but it is not put into practice. Therefore smuggling is continuing I would quote from the report. The Ministry of Finance submitted the figures of smuggle'd goods in its Annual Report for the year 1985-86. It is said in this report that the only way to effectively control smuggling in sensitve items is to augment indigenous availability of such goods by giving fiscal concessions". This is in relation to synthetic fabrics. But we are not looking towards that side.

Now with the enormous profits in smuggling, the smugglers have become powerful personalities in the political field also, in the social field, in their communal field. They are backing the communal elements and politicians. And we find a reflection of all this in these figures. Although we arrested so many people—tha figures are there that in 1984 there were 2300 arrests,in 1985 there were 3000 arrests—prosecution took place of 2200 and 2600 respectively, but the conviction was of only 700 or 800 people. That means hardly 25 or 30 per cent are convicted, because loopholes are left by those who want to prosecure. Loopholes may be there in the Act itself because some sort of defence mechanism has to be provided, but many of them get acquitted. Therefore these .activities continue.

Now the important point here is that politicians are backing these people, a section of the bureaucracy is also backing the smugglers and our fiscal policies are such that these attract smuggling on a big scale. So what is to be done? Thus the Gold Control Order also, I think, has to be reviewed. The gold is coming. Only we have prohibited it on paper. Money goes out. 1 am not for buying gold from foreign countries. But if we are not able to prevent it, then what ace you going to do You do not have sufficient grip over the administration; our own politicians come to the rescue of smugglers and ask us to be liberal with them; if they go to jail they are provided first class facilities. Every thing is provided. Even at night they can come out. And sometimes very high people telephone...

SHRI V. GOPALSAMY (Tamil Nadu): They are enjoying five star facilities.

SHRI CHIMANBHAI MEHTA: It is taken as a joke sometimes when we say that we are fighting the smugglers. It is better not to bring this sort of Act, if we are not serious about it. Allow them a free hand. Take away he fiscal levies and let our economy compete. I tell you, you will not find fault with the revenue income also. Because, where production is developed, there will be greater trade, greater exports from here and greater turnover of income tax and sales tax. But the Finance Ministry's bureaucracy is always saying. "No, the Textiles Ministry might consider it because they are nearor the truth.

Of course, it is not a relevant question here, but about our legal profession also we have to say a lot. Our lawyers, those who are making headlines in the newspapers, are always found to be defenders

[Shri Chimanbhai Mehta] of smugglers because smugglers can pay very high amounts; they are paying lakhs and receipts are not given; lawyers don't account for that. With such a loose machinery of administration and political situation can we think in terms of nation alizing the legal service? At least, these are the people who are making culprits innocent. I don't think we are going to lose in revenue if we nationalize the legal profession because this legal profession today helps the smugglers, helps every kind of person who is evading tax, and every kind of crime is being supported by our legal profession. How much fees they charge for innocent people! Here in the Supreme Court, I know, even an ordinary lawyer who is not so much known, says, "My daily fee is Rs. 5,000" and he won't give you a receipt. So, that thing also we have to consider.

Sir, China is fighting against smuggling. Sometime back they hanged some smugglers in public squares and thousands of people witnessed that scene. Here when we pass such laws, they say it is a Draconian law. How can you stop smuggling? What is wrong if you hang them? When they can make our economy collapse, when lakhs of textile workers are getting unemployed—and they commit suicide be-case of hunger—you have compunction for a smuggler who is being put in jail for a few years, and very rarely our Administration attacks smugglers. What is wrong if you hang them? You say it is a Draconian pleasure. What nonsense! But I know, I am not advoca'ing so much rigidity. Because my machinery is hopeless, my officers are corrupt, my bureau-carcy is not reliable, where am I to go? This is a most demoralizing situation. Neither we have the advantage of free economy nor we have the advantage of so-called socialism here. This is where we are facing the trouble.

Therefore, kindly consider, honourable Minister, and at least think of reducing the excise in a very big way on textiles because our textile workers are also suffering as they are unemployed. Make it competitive, give more money for modernization. At least the NTC mills can be modernized. There also there is no labour participation and bureaucracy runs riot in the NTC mills. That sort of an administration we have. So, sometimes I wonder, against whom do you fight, for whom do you fight, for whom do you want more powers? this is also another problem we are facing.

But, something good is being done by our honourable Minister by bringing this Bill. So I support it. These are vital issues and one has to take them into consideration. By administrative measures alone you cannot fight against smuggling. Thank you.

THE VICE- CHAIRMAN (SHRI JAGESH DESAI): Shri Radhakrishna. Eight minutes.

SHRI PUTTAPAGA RADHAKRISHNA (Andhra Pradesh): Mr. Vice-Chairman, Sir, there are two items put together before us for consideration One is to disapprove the Ordinance amending some provisions of the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, and the other one is to approve the Ordinance. Sir, here there is nobody to oppose conservation of foreign exchange nor is there anybody to oppose prevention of smuggling activities. But the thing is only to think of the way of the Government in which it is proceeding to make the laws.

First of all I am opposed to the way of the Government to make the laws in the form of ordinances. The Ordinance, the provision of the Ordinance under Article 123 ot the Constitution is meant only for a limited purpose. It is like a life-saving 'drug. We cannot play with a life-saving drug. Whenever it is necessary, we have to use that. For each and every ordinary disease we cannot use the life-saving drug. In the same way, we oppose the use of the provisions of the Ordinance because it is not a good convention in a democracy Parliamentary democracy.

Sir, I would like to quoe here from the debates of the Constituent Assembly. Speaking on Article 102 which was the draft Article of Aricle 123, Dr. B. R. Ambedkar says:

If I may say so, this Article is somewhat analogous. I am using very cau.ious language."

Again Dr Ambedkar goes on record as saying:

"My submission to the House is that it is not difficult to imagine cases where the powers conferred by the ordinary law existing at a particular moment may be deficient to deal with the situation which may suddenly and immediately arise What is the execuive to do? The executive has got a new situation arising which it must deal with ex hypothesy. It has not got power to deal with that in the existing code of law. The emergency must be dealt with. And it seems to me that the only solution is to confer upon the President the power to pro-mulgate a law which will enable the executive to deal with particular situation because it cannot resort to the ordinary process of law because again ex hypothesy the legislature is not in session."

Here, in this particular case, Sir, there is no such situation prevailing in the country. The provisions of that particular Act were to expire on the 31st of July this year. lt is not a sudden development. It is not an unexpected con-tingecy. We knew long back that this would expire on the 31st of July this year. And Parliament was scheduled to meet on the 27th of the last month, and the law was to expire four days after that. What is the con-tingency that has ..arisen suddenly and unexpectedly? The Government could have waited till Parliament reassembles, or the Government should have preferred to in'roduce a legislation in the previous session itself. The Government was very well aware of the expiry of the provisions of the law. That is why it is a bad tendency, it is a bad tradition, a bad convention in a Parliamentary democracy to take to this sort of making law through an ordinance. So, we are first of all oPPseed to this. Hence, I support the disapproval Resolution and not the approval of the Ordinance.

Sir coming to the provisions of the Bill, my friend, Mr, Chandre Gowda has correctly stated that it is not the bill out the will of the Government is required to implement it. I do not find any will of the Government to implement it. They do not seem to be very sincere because when the history is referred to, earlier events are seen back we can conclude this.

Sir, there are certain items *kz* the very speech of the Minister. The Mnister has given some figures. The figures show that detentions of the offenders have gone up. In the same way, the quantities of the smuggled articles have also gone up. Then, what is the purpose of making a law? Your detentions are not preventing or arresting the increase of smuggling. And regarding the extension of the term of detention under section 9 of the Act, this is also of no use.

When once the offender is prepared to undergo imprisonment for one year, he does not mind to undergo imprisonment for two years also. What difference does it make? I agree with Mr. Chimanbhai Mehta. He was insisting on making stringent laws on the punishment side. If it can be made more severe, then extension of one year detention into two years does not malce any difference. When it comes to the implementation side, we have seen always the Government failed. We have seen last year some offenders and some smugglers were detained for violating the Foreign Exchange Regulations Act. Go-vernment have negotiated with them The name of Mr. Thapar and some other name were heard and the Government have let off those offenders with the assurance that they would repatriate their foreign deposits to the country. But neither there has been any reparation of the funds nor the Government has taken any action against them because they are their kith and kin. I say these economic offenders, these smugglers and the kickbackers are part and parcel of the persons at the helms of affairs. That is why they are not prepared to take any action against the offenders. They have no will to implement strictly these laws. That is why, I say, there is no use of bringing any legislation and I disapprove the ordinance. At the same time, I support the contents of the Bill. I request

[Shri Puttapaga Radhakrishna]

the Government to take care of the implementation side more effectively in order to implement the same as effectively as possible. Thank you.

SHRI RAMESHWAR THAKUR (Bihar): Mr. Vice- Chairman, Sir, I rise to support the Bill further to amen'd the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974. There are only two simple provisions. One is the amendment of Section 9 extending the period from 31st July 1987 to 31st July 1990 for making detention for periods longer than three months, without obtaining the opinion of the Advisory Board and the second is just a consequential amendment. Under the areas vulnerable to smuggling, Goa, which has become a full-fledged State recently has been included. These two simple enabling amendments are basically extension of the progressive law that we have on our statute which was framed long back in 1974. If we see in a detached manner, India is the first country where we find that immediately after independence in 1947, the Foreign Exchange Regulation Act was passed and thereafter there were a number of amendments and in 1973, a comprehensive Foreign Exchange Regulation Act came into force. Thereafter, immediately in 1974, we got this Act passed towards which this amendment has been sought earlier through an ordinance and thereafter now in the form of the Bill. If we see the progress of the Foreign Exchange Regulation Act, we will find that it is a very important fiscal measure and if we see the progress in different developing countries, then compared to them, India has made considerable progress in this regard. This is a complicated law no doubt and there are many aspects of it. But if we see, by and large, the progress made during the last 13 years, it has been considerable. Figures have been given by the hon. Minister and some other Members also which show that the strict measures taken by the Government from time to time have shown results. Nevertheless, there are certain deficiencies in the implementation of the law and certainly that aspect needs our consideration. As regard the question of objecting to the passing of an ordinance, I do not think this objection is valid in the sense that it is a new law or a very important provision of law which has been put through an ordinance and therefore it has to be objected to on the basis of principle or on technical grounds. If you say this is an existing law in which there has been an extension, I do not think even that objection could be sustained. For, it is a progressive measure which is essential. In order to enforce the law, the extension is desired or called for and therefore, there cannot be any valid objection on that ground.

I was a little surprised when some hon. Members from the other side said that this Government rules through ordinances. It is not fair to say so far an elected Government. When so many Bills are passed by the Parliament, if certain ordinance are passed, to say that the present Government rules through ordinances, is very very unfair. I think such remarks will not be made with regard to any State.

Then come the other comments that this is not a fiscal measure, it is not being implemented through fiscal measures or administrative measures and it is only a political tool. I think here also you are making very very sweeping remarks because these measures are required particularly in the case of foreign exchange violation and smuggling. If you observe, in a detacher manner, throughout the period of these twelve or thirteen years, or even earlier for that matter, this law has had certain basic deficiencies. And those who indulge in such activities do always try to find out loopholes and also try to operate through different parts. Some of my eminent colleagues said that this has belitteled the entire political class or the Officers, the bureaucrats or the lawyers. This is not the correct approach to the problem. We know the magnitude of the problems. The problem has not been sorted out in spite of the progress made. But this law has to be implemented faithfully and effectively by all concerned. Those who are in public life, irrespective of the part or party

they belong to, have a, duty to ensure that they are in a position to help the implementation of the law in a manner which is befitting them. This problem affects the national economy; it affects the foreign exchange of the country. Naturally, it is in the interests of all of us to ensure that this measure is implemented faithfully and effectively and without much deficiency.

Now, the other aspect is that it is not a fiscal law. Whenever we make a law, it is not a question of mere judgement alone. There must be a sense of involving the society. We are in the society. There must be a call by the people of the society, particularly the intellectuals, the enlightened citizens. All of us who are in public life should give a call to the other people to discard those who are indulging in smuggling and other anti-social activities. Then only the machinery which we have got for implementation will be more effective and there will be a social discard on the part of people themselves which will have a different effect on our implementation of the law.

Lastly, I would say there are certain deficiencies as have been pronounced from time to time by various authorities. Therefore, it is necessary, as suggested by an hon. Member, that the Law needs to have a comprehensive review so that if there are certain areas of deficiency, a comprehensive review of the entire Act in the light of the experience gained should be made and wherever there arc deficiencies more stringent power should be taken and Government's avowed policy to deal strictly and effectively with economic offenders should be continued and pursued vigorously. And for that purpose, whatever amendments are required, those should be brought, whatever changes or rules and regulations are required, those should be made so that we are able to achieve the desired results. Thank you.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): We shall now take up the short Duration Discussion; Shri Lal K. Advani to start.

SHRI JASWANT SINGH; Will the present discussion be taken up tomorrow?

THE VICE-CHAIRMAN (SHRI JAGESH DESAI); Yes, this will continue. There are some more speakers.

SHRI JASWANT SINGH: Just two clarifications. Firstly, there is an unconcluded debate on Sri Lanka; secondly, the present debate has also remaned unconcluded. Would you clarify as to when this will be taken up, whether today or tomorrow, so that accordingly we can plan?

THE VICE-CHAIRMAN (SHRl JAGESH DESAI); Now we are taking up the Short Duration Discussion...

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M. M. JACOB); Sri Lanka can be taken up tomorrow. We are now taking up the Teachers' Strike...

श्री लाल कृष्ण आडवाणी: (मध्य प्रदेश) : यह कोई सही प्रेक्टिस नहीं है । इस मामले में आर्बीटरीनेस नहीं होनी चाहिए । सचमुच में तो श्रीलंका चर्चा का जवाब आज होना चाहिए था, उसके बाद यह आगे की कार्यवाही होनी चाहिए थी । यह जिस प्रकार से हुआ है कि कल की चर्चा होकर के उसका जवाब कल आएगा और आज जो चर्चा हो रही है, वह पहले होगी या बाद में होगी इसका निर्णय सरकार के ऊपर छोड़ना उचित नहीं । इसकी जो व्यवस्था है नियमों में वह यह है कि कभी भी बीच में अगर खण्ड करना है तो उसके लिए अलग मोशन होना चाहिए वैसा करना चाहिए ।

SHRI M. M. JACOB: It was decided as per the wish of the House only.

श्री राम अवधेश सिंह (बिहार) : यह क्या हुआ बिल का? . . . . **(व्यवधान)**

SHRI NIRMAL CHATTERJEE; 1 don't think Advaniji was accurate. This is one of the evil practice of this House. For instance, there is one Bill pending from the last Session. The discussion is to continue; it is not yet concluded. It is given no precedence at all. Now these two unconcluded discussions; So it is for the convenience of the House. Does it heigh-

ten our prestige before the country? Would the Huose and the Parliamentary Affairs Minister consider whether this practice should be followed?

SHORT DURATION DISCUSSION ON THE STRIKE BY UNIVERSITY AND COLLEGE TEACHERS ALL OVER THE COUNTRY

श्री लाल कृष्ण आडवाणी (मध्य प्र...) मान्यवर, आज देश भर के विश्वविद्यालयों और कालेजों के अध्यापक, जिनकी संख्या शायद 2 लाख 30 हजार है, वह अपनी हड़ताल के पन्द्रहवें दिन पर पहुंचे हैं । यह हड़ताल 4 अगस्त से हुई थी । जहां तक मुझे स्मरण है, हिन्दुस्तान के विश्वविद्यालयों के इतिहास में ऐसी राष्ट्रव्यापी हड़ताल पहले कभी नहीं हुई । मानव संसाधन मंत्री श्री पी० वी० नरसिंह राव यहां पर उपस्थित हैं और उनके कार्यकाल में ऐसी हड़ताल हो, इसका मुझे दुख होता है । उनसे यह अपेक्षा थी कि वे इस स्थिति तक अध्यापकों को पहुंचने ही नहीं देंगे । उन्होंने जिस समय टोकन-स्ट्राइक की थी एक दिन की, तभी अपेक्षा की गयी थी कि कोई न कोई रास्ता निकलेगा और यह टोकन, जो उन्होंने एक प्रकार का संकेत दिया है, उस संकेत को समझकर भारत सरकार समुचित कार्यवाही करेगी और उनकी बातें सुन कर कोई रास्ता निकालेगी । लेकिन दुर्भाग्य की बात है कि ऐसा हुआ नहीं दूसरे सदन में जो चर्चा है तथा उसमें मंत्रीजी ने जो जवाब दिया है कि उससे मुझे लगता है कि स्थिति और जटिल हुई है सुलझने के बजाय । उनको शायद ऐसा दिखायी देने लगा है कि अध्यापकों में वह क्लाउट नहीं है जो बाकी विभिन्न वर्गों में है और इसीलिए उनकी बात न्यायोचित होते हुए भी सुनी नहीं जाती। मैं किसी के साथ तुलना नहीं करता हूं, लेकिन इसमें कोई संदेह नहीं है कि बाकी कई ऐसे वर्ग हैं जो अगर हड़ताल करते हैं तो उस हड़ताल का सीधा प्रभाव साधारण जीवन पर पड़ता है और इस ढंग से पड़ता है कि जिसके कारण सरकार को सही या गलत कुछ-न-कुछ करना ही पड़ता है । लेकिन हड़ताल का सीधा प्रभाव नहीं पड़ता दूरगामी प्रभाव पड़ता है, बहुत गहरा पड़ता है और यह राष्ट्र के लिए बहुत घातक, बहुत हानिकारक है । उपसभाध्यक्ष महोदय, आज से 4 साल पहले दिल्ली में ही मुझे स्मरण है कि 109 दिन की ऐतिहासिक हड़ताल हुई थी । उससे भी देश को हानि हुई । लेकिन वह दिखायी नहीं देती । इसीलिए मैंने इस शब्द का उपयोग किया कि शायद अध्यापकों के पास क्लाउट नहीं है जो कुछ और वर्गों के पास है और जैसे ही हड़ताल होती है सरकार तुरन्त हस्तक्षेप करती है, कुछ न कुछ तरीका निकालती है, रास्ता निकालती है समझौता कर लेती है और ठीक कर लेती है ।

SHRI NIRMAL CHATTERJEE (West Bengal Has it happened in the case of sick textile mills? Has it happened in the case of textile workers?

SHRI LAL K. ADVANI: I have not mentioned any particular example; I have merely stated.

उपसभाध्यक्ष महोदय, कम से कम नरसिंहराव जी से मैं यह अपेक्षा करता था कि वे इस चीज का केवल टैक्निकलटीज के आधार पर नहीं देखेंगे कि हड़ताल पर हैं, क्या बात करें । उस दिन जब प्रश्नोत्तर हो रहे थे और मंत्रीजी जवाब दे रहे थे तो मुझे तो आश्चर्य हुआ कि यह कैसी बात कह दी । सरकार ने 17 जून को एक घोषणा की मेहरोत्रा कमेटी के आधार पर और उस घोषणा के कारण ही यह उसके बाद की घटनाएं हुई । मैं उस घोषणा का विरोध करता हूं, मूलतः विरोध करता हूं कि गलत है। उसमें कई ऐसे पहलू हैं, मैं समझता हूं, कि जिन्हें स्वीकार करना मुश्किल होगा। मैं मानता हूं कि उस घोषणा में भारत सरकार ने 1973 में जो पैरिटी का सिद्धांत स्वीकार किया था अध्यापकों और क्लास-I के बीच, उस पैरिटी के सिद्धांत का हनन किया है । मैं यह मानता हूं कि उस घोषणा में विश्वविद्यालय की स्वायत्तता पर हमला किया गया है